



BOSTON CONNECTICUT NEW JERSEY NEW YORK WASHINGTON, DC

US Department of Energy

JAN 12 2015

Electricity Delivery and  
Energy Reliability

January 12, 2015

**VIA HAND DELIVERY**

Mr. Christopher Lawrence  
Office of Electricity Delivery and Energy Reliability  
Department of Energy  
OE-20, Room 8G-024  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

US Department of Energy

JAN 12 2015

Electricity Delivery and  
Energy Reliability

Re: **Application of Chubu TT Energy Management Inc. For Authorization to  
Transmit Electric Energy to Canada, Docket No. EA- EA-404**

Dear Mr. Lawrence:

Pursuant to 10 C.F.R. § 205.300, *et seq.* of the regulations of the Department of Energy, please find enclosed an original and five (5) copies of the Application of Chubu TT Energy Management Inc. for Authorization to Transmit Electric Energy to Canada ("Application"). Also enclosed is a check for the filing fee in the amount of \$500.00 payable to the Treasurer of the United States.

Please confirm receipt of this Application by date-stamping the three additional copies and returning them to the individual delivering the Application.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact the undersigned.

Respectfully submitted,

Joseph H. Fagan  
Day Pitney LLP  
1100 New York Ave., NW, Suite 300  
Washington, DC 20005  
jfagan@daypitney.com  
T: 202.218.3901

Enclosures

*Counsel for Chubu TT Energy Management Inc.*

JAN 12 2015

Electricity Delivery and  
Energy ReliabilityUNITED STATES OF AMERICA  
BEFORE THE DEPARTMENT OF ENERGY  
OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITYChubu TT Energy Management Inc. )  
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Docket No. EA-404

JAN 12 2015

Electricity Delivery and  
Energy Reliability**APPLICATION OF CHUBU TT ENERGY MANAGEMENT INC.  
FOR AUTHORIZATION TO TRANSMIT ELECTRIC ENERGY TO CANADA**

Pursuant to Section 202(e) of the Federal Power Act ("FPA"),<sup>1</sup> and Part 205, Subpart W of the U.S. Department of Energy's ("DOE") regulations,<sup>2</sup> Chubu TT Energy Management Inc. ("Chubu TT" or "Applicant") hereby requests authorization to transmit electric energy from the United States to Canada for a period of five years. Chubu further respectfully requests that authorization be granted no later than April 15, 2015.

In support of its Application, Chubu states as follows:

**I. Description of the Applicant**

The exact legal name of the Applicant is Chubu TT Energy Management Inc. Chubu TT is a Canadian Corporation with its principal place of business at 8600 Goreway Drive, Brampton, Ontario Canada L6T 0A8. Chubu TT intends to trade and market electricity in the United States and Canada. Chubu TT is in the process of becoming a licensed competitive electricity provider in Ontario. Chubu TT is also in the process of applying for market-based rate authority from the Federal Energy Regulatory Commission ("FERC") in order to trade and market electricity in the United States.

Chubu TT is a joint venture between Chubu Electric Power Company, Inc. ("Chubu Electric") and Toyota Tsusho Corporation ("Toyota Tsusho"). Chubu Electric and Toyota

<sup>1</sup> 16 U.S.C. § 824a(e) (2012).

<sup>2</sup> 10 C.F.R. § 205.300, *et seq.* (2014).

Tsusho each also have a 50 percent ownership stake in the Goreway Power Station ("Goreway"), an 875 megawatt ("MW") Combined Cycle Gas Turbine ("CCGT") plant located about 35 kilometers northwest of Toronto, Ontario. Goreway has a 20-year Power Purchase Agreement ("PPA") with the Ontario Power Company.

Chubu Electric, a Japanese electric utility, is Japan's third-largest power company, as measured by power generation capacity, electric generation sold, operating revenues and total assets. Chubu Electric is active worldwide in the power generation business, including in the United States through its wholly-owned subsidiary, Chubu Electric Power Company U.S.A. Inc. ("Chubu USA"). Accordingly, Chubu Electric has indirect ownership interests in five generating facilities throughout the United States. These interests include a 17.5 percent stake in the 1,220 MW natural gas-fired, combined-cycle Kiamichi Generating Station in Pittsburg, Oklahoma; a 17.5 percent stake in the 885-MW natural gas-fired, combined-cycle Alabama 2 Generating Station in Autauga County, Alabama; an 11.1 percent stake in the 845-MW natural gas-fired, combined cycle Gateway Generating Station in Rusk County, Texas; a 17.5 percent stake in the 945-MW natural gas-fired Georgia Generating Station in Heard County, Georgia; and a 17.5 percent in the 904-MW natural gas- and No. 2 fuel oil-fired Virginia Generating Station in Fluvanna County, Virginia.

Toyota Tsusho is a multinational Japanese trading company that is active in the power generation business. Through its wholly-owned subsidiary, Toyota Tsusho Power USA, Inc. ("TT-USA"), Toyota Tsusho has indirect ownership stakes in various power generation assets in the United States. These interests include a 50 percent stake in the 440 MW Oyster Creek Cogeneration Power Plant, a natural gas-fired combined cycle facility, located in Freeport, Texas; a 31 percent stake in the proposed 725 MW Woodbridge Energy Center, a natural gas-

fired combined cycle facility, located in Woodbridge, New Jersey; a 25 percent stake in the proposed 725 MW St. Charles Energy Center, a natural gas-fired combined cycle facility, located in Charles County, Maryland; and a 12.5 percent stake in the proposed 674 MW Salem Harbor Generating station, a natural gas-fired combined cycle facility, located in Salem, Massachusetts.

Toyota Tsusho also has a 60 percent stake in Eurus Energy Holdings Corporation, which, through its wholly-owned subsidiary, Eurus Energy America Corporation (“EEA”), is affiliated with several renewable energy generating assets in the United States.

## **II. Communications**

Communications and correspondence regarding this Application should be addressed to the following:

|  |   |
|--|---|
| Rob Coulbeck<br>VP Energy Management<br>Chubu TT Energy Management Inc.<br>Goreway Power Station<br>8600 Goreway Drive<br>Brampton, Ontario L6T 0A8<br>Canada<br>Phone: (905) 595-4716<br>Email: RCoulbeck@gorewaypowerstation.com | Joseph H. Fagan<br>Day Pitney LLP<br>1100 New York Avenue, N.W.<br>Suite 300E<br>Washington, DC 20005<br>Phone: (202) 218-3901<br>Email: jfagan@daypitney.com |
|--|---|

## **III. Jurisdiction**

Under Section 202(e) of the FPA, 16 U.S.C. § 824a(e), and DOE’s regulations, 10 C.F.R. § 205.300, *et seq.*, any person seeking to transmit electric energy from the United States to a foreign country must first secure an order from DOE authorizing the export. The exports of electricity from the United States to Canada are foreign as opposed to interstate commerce, and are thus under DOE jurisdiction. No other known federal, state or local government has jurisdiction over the actions to be taken under the authority set out in this Application.

#### **IV. Description of Transmission Interconnections**

Chubu TT seeks authorization to export electricity over existing transmission interconnections between the United States and Canada. Chubu TT seeks authority to transmit electricity over any international transmission facility authorized by a Presidential Permit that is appropriate for third-party transmitters. Chubu TT has provided in Exhibit C the location and description of the transmission facilities through which the electric energy may be delivered into Canada. Exhibit C includes the name of the owner of each such transmission facility and the corresponding Presidential Permit number.

#### **V. Technical Discussion of Proposal**

Section 202(e) of the FPA provides that exports should be allowed unless the proposed export would impair the sufficiency of electric power supply within the United States, or would impede, or tend to impede, the coordinated use of the United States' power supply network.<sup>3</sup>

Chubu TT will purchase surplus electric energy from electric utilities and other suppliers within the United States and will export this energy to Canada over the international electric transmission facilities. The present owners of the transmission facilities are listed in Exhibit C. Because this electric energy will be purchased from others voluntarily, it will be surplus to the needs of the selling entities. Chubu TT's export of power therefore will not impair the sufficiency of electric power supply in the U.S.

Chubu TT will make all necessary commercial arrangements, and will obtain any and all other regulatory approvals required in order to effect any power exports. This will include: (1) scheduling each transaction with the appropriate control area in compliance with all reliability criteria, standards, and guidelines of the North American Electric Reliability Corporation

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<sup>3</sup> 16 U.S.C. § 824a(e).

("NERC") and applicable Regional Entities in effect at the time of export; (2) obtaining all necessary transmission access over the existing facilities listed in Exhibit C; and (3) providing evidence of the agreements with transmission owners to DOE.

Consistent with past DOE precedent, Chubu TT requests that DOE use the reliability analyses performed in the most recent export authorization proceedings that rely upon the border transmission facilities referenced in Exhibit C. Chubu TT agrees to abide by the export limits of these transmission facilities. The controls that are inherent in any transaction that complies with all NERC requirements and the export limits imposed by DOE on the referenced transmission facilities are sufficient to ensure that exports by Chubu TT will not impede, or tend to impede, the coordinated use of transmission facilities within the meaning of Section 202(e) of the FPA.

#### **VI. Procedural Matters**

Chubu TT is willing to accept all conditions imposed by the DOE on its authorization to export power. In particular, if required by DOE, exports made by Chubu TT will not exceed the export limits for the transmission facilities utilized by Chubu TT, or otherwise cause a violation of the terms and conditions set forth in the export authorization. When scheduling the delivery of power, Chubu TT will comply with the applicable NERC reliability criteria, standards, and guidelines. Chubu TT will provide DOE with all required reports indicating the gross amount of electricity delivered to Canada, consideration received during each month, and the maximum hourly rate of transmission, as well as any additional annual reports required.

#### **VII. Service and Fee**

In accordance with the requirements of 10 C.F.R. § 205.309, a copy of this Application will be provided to the Secretary of the Federal Energy Regulatory Commission as an attachment to Chubu TT's application for market-based rate authority. In addition, a check in the amount of

\$500.00, made payable to the Treasurer of the United States, is enclosed in payment of the fee specified in 10 C.F.R. § 205.309.

#### **VIII. Verification**

Verification executed by Chubu TT's authorized representative is enclosed with the Application, in accordance with 10 C.F.R. § 205.302(h).

#### **IX. Required Exhibits**

In accordance with the requirements of 10 C.F.R. § 205.303, the following exhibits are attached to this Application:

**Exhibit A** – Transmission Agreements – Not Applicable

**Exhibit B** – Legal Opinion of Counsel

**Exhibit C** – Transmission Facilities (List submitted in lieu of a map)

**Exhibit D** – Power of Attorney


**Exhibit E** – Statement of Corporate Relationship – Not Applicable

**Exhibit F** – Operating Procedures – Not Applicable

**X. Conclusion**

WHEREFORE, for the foregoing reasons, Chubu TT respectfully requests that the Department of Energy issue an order granting Chubu TT's authorization to transmit electric energy to Canada for a period of five years, effective upon issuance of the order, but no later than April 15, 2015.

Respectfully submitted,

  
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Joseph H. Fagan  
Day Pitney LLP  
1100 New York Avenue, N.W., Suite 300E  
Washington, DC 20005  
Phone: (202) 218-3901  
Email: [jfagan@daypitney.com](mailto:jfagan@daypitney.com)

Counsel for Chubu TT Energy Management Inc.

January 12, 2015



**EXHIBIT A**  
**TRANSMISSION AGREEMENTS**

*Not Applicable*

Currently, Chubu TT Energy Management Inc. has no applicable transmission reservations or transmission agreements.

## EXHIBIT B

### LEGAL OPINION OF COUNSEL

This opinion is rendered in connection with the Application of Chubu TT Energy Management Inc. for Authorization to Transmit Electric Energy to Canada, dated January 12, 2015, and pursuant to 10 C.F.R. Section 205.303(b).

Based on my understanding and review of Chubu TT Energy Management Inc., my knowledge of the corporate powers of Chubu TT Energy Management Inc., and my examination of such documents, records and matters of laws as I have considered to be relevant, it is my opinion that:

1. The proposed export of electricity described in the Application is within the corporate powers of Chubu TT Energy Management Inc.; and
2. Chubu TT Energy Management Inc. has complied and will comply with all pertinent Federal and State laws.

I am opining herein only as to federal laws of the United States and laws of relevant States within the United States, and I express no opinion as to the laws of any other jurisdiction. I am not assuming any obligation to review or update this opinion should the law or existing facts or circumstances change. This opinion is provided by me as counsel for Chubu TT Energy Management Inc. solely to you for your exclusive use and is not to be made available to or relied upon by any other person or entity without my prior written consent.

Respectfully Submitted,



Joseph H. Fagan

Counsel for Chubu TT Energy Management Inc

## EXHIBIT C

### INTERNATIONAL TRANSMISSION FACILITIES AT THE U.S.-CANADA BORDER AUTHORIZED FOR USE BY THIRD-PARTY TRANSMITTERS<sup>1</sup>

| Present Owner                        | Location  | Voltage                              | Presidential Permit No. <sup>2</sup> |
|--------------------------------------|---|--------------------------------------|--------------------------------------|
| Bangor Hydro Electric Company        | Baileyville, ME   | 345 kV                               | PP-89                                |
| Basin Electric Power Cooperative     | Tioga, ND   | 230 kV                               | PP-64                                |
| Bonneville Power Administration      | Blaine, WA<br>Nelway, WA<br>Nelway, WA                                | 2x500 kV<br>230 kV<br>230 kV         | PP-10<br>PP-36<br>PP-46              |
| Eastern Maine Electric Cooperative   | Calais, ME  | 69 kV                                | PP-32                                |
| International Transmission Company   | Detroit, MI<br>Marysville, MI<br>St. Claire, MI<br>St. Claire, MI     | 230 kV<br>230 kV<br>230 kV<br>345 kV | PP-230<br>PP-230<br>PP-230<br>PP-230 |
| Joint Owners of the Highgate Project | Highgate, VT  | 120 kV                               | PP-82                                |
| Long Sault, Inc.                     | Massena, NY   | 2x115 kV                             | PP-24                                |
| Maine Electric Power Company         | Houlton, ME   | 345 kV                               | PP-43                                |
| Maine Public Service Company         | Limestone, ME<br>Fort Fairfield, ME<br>Madawaska, ME<br>Aroostook, ME | 69 kV<br>69 kV<br>138 kV<br>2x69 kV  | PP-12<br>PP-12<br>PP-29<br>PP-29     |
| Minnesota Power Inc.                 | International Falls, MN   | 115 kV                               | PP-78                                |
| Minnkota Power Cooperative           | Roseau County, MN   | 230 kV                               | PP-61                                |
| Montana Alberta Tie Ltd.             | Cut Bank, MT  | 230 kV                               | PP-305 <sup>3</sup>                  |

<sup>1</sup> Information for this Exhibit C was compiled upon review of recent DOE electricity export authorization orders and confirmed by DOE representatives. See, e.g., Docket No. EA-249-C, *Exelon Generation* (issued Aug. 5, 2014); Docket No. EA-257-D, *Emera Energy Services, Inc.* (issued Apr. 17, 2014); Docket No. EA-258-D, *Brookfield Energy Marketing* (issued April 25, 2014).

<sup>2</sup> These Presidential permit numbers refer to the generic DOE permit number and are intended to include any subsequent amendments to the permit authorizing the facility.

|                                   |   |  |                                  |
|-----------------------------------|---|--|----------------------------------|
| New York Power Authority          | Massena, NY<br>Massena, NY<br>Niagara Falls, NY<br>Devil's Hole, NY | 765 kV<br>2x230 kV<br>2x345 kV<br>230 kV | PP-56<br>PP-25<br>PP-74<br>PP-30 |
| Niagara Mohawk Power Corp.        | Devil's Hole, NY  | 230 kV                                   | PP-190                           |
| Northern States Power Company     | Red River, ND<br>Roseau County, MN<br>Rugby, ND                     | 230 kV<br>500 kV<br>230 kV               | PP-45<br>PP-63<br>PP-231         |
| Sea Breeze Olympic Converter LP   | Port Angeles, WA  | $\pm 450$ kV                             | PP-299 <sup>4</sup>              |
| Vermont Electric Power Co.        | Derby Line, VT  | 120 kV                                   | PP-66                            |
| Vermont Electric Transmission Co. | Norton, VT<br>Millbury, MA<br>Medway, MA                            | $\pm 450$ kV DC<br>345 kV<br>345 kV      | PP-76                            |

<sup>3</sup> These transmission facilities have been authorized but not yet constructed or placed in operation.

<sup>4</sup> These transmission facilities have been authorized but not yet constructed or placed in operation.

**EXHIBIT D**

**VERIFIED COPY OF POWER OF ATTORNEY**

Be it known, that I, Hiromi Sakakibara of Chubu TT Energy Management Inc., a British Columbia Corporation ("Principal"), with its principal place of business at 8600 Goreway Drive Brampton, Ontario L6T 0A8, do hereby grant a limited Power of Attorney to my designated agent, Joseph H. Fagan of Day Pitney LLP, 1100 New York Avenue N.W., Suite 300E, Washington, DC 20005, as my attorney-in-fact, for the limited purpose set forth herein ("Attorney in Fact").


The Attorney in Fact shall have the limited power of authority to receive service of process for any and all matters relating to or arising from the Principal's application before the Department of Energy to transmit energy to Canada, filed pursuant to 10 C.F.R. § 205.300 *et seq.*

This Power of Attorney is irrevocable by the Principal, subject only to the Principal's right to re-designate, or substitute the Attorney in Fact upon thirty days notice to the Department of Energy and the Attorney in Fact.

IN WITNESS WHEREOF, the Principal has caused this Power of Attorney to be executed on this 26 day of December, 2014.

Chubu TT Energy Management Inc.

Per:



Hiromi Sakakibara  
President and Chief Executive Officer  
Chubu TT Energy Management Inc.

SUBSCRIBED AND SWORN TO before  
me on this 26 day of December, 2014





公証人役場

Registered No. 4 8 3

NOTARIAL CERTIFICATE

This is to certify that HIROMI  
SAKAKIBARA has affixed his signature  
in my very presence to the attached  
document.

Dated this 26 day of Dec., 2014.

*Keizo Kurihara*

Notary



Nagoya Legal Affairs Bureau

NO.35-16, DAIKANCHO, HIGASHIKU

NAGOYA, JAPAN.



公証人役場

平成 26 年 認 証 第 483 号

嘱託人・榊原洋実 は当公証人の面前において  
本証書に署名した。

よって、認証する。

平成 26 年 12 月 26 日

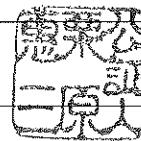
当公証人役場において

名古屋市東区代官町 35 番 16 号

名古屋法務局所属

公 証 人

栗原 由三



**EXHIBIT E**

**STATEMENT OF ANY CORPORATE RELATIONSHIP OR EXISTING CONTRACT**

*Not Applicable*



**EXHIBIT F**  
**OPERATING PROCEDURES**

*Not Applicable*